



EXECUTIVE OFFICE OF THE PRESIDENT

Approved For Release 2004/03/11 : CIA-RDP80M00165A002100060008-8

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

DEC 1 1977

177-6861/11
Held to 18
7 Nov

Honorable Admiral Stansfield Turner
Director
Central Intelligence Agency
Washington, D. C. 20505

→ Attention: George L. Cary
Legislative Counsel

Dear Admiral Turner:

This is to acknowledge your letter of November 7, 1977 requesting this Office to review its recommendation that your agency delay the submission of legislation to the Congress that would provide pay incentives to physicians employed by the Central Intelligence Agency.

As my earlier letter noted, the Administration is considering a number of proposals dealing with the Government-wide issue of physician pay. However, we understand your concern over the present salary schedules of CIA-employed physicians and are reviewing the issues discussed in your letter. Upon completion of our review, we will be in touch with you again.

Sincerely,

James M. Frey
James M. Frey
Assistant Director for
Legislative Reference

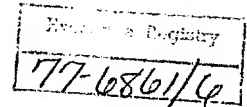
NOTE: ER File - Letters to the Congressmen may be submitted
at a latter date - per OLC.

Sophie/ER

LEGISLATIVE REFERENCE FILE *OMB*



Washington, D.C. 20505



Honorable Daniel K. Inouye, Chairman
Select Committee on Intelligence
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am writing to express my concern about the serious problem faced by this Agency in recruiting qualified physicians. This problem results, in large part, from certain inequities in the salary schedule for physicians employed by the United States.

The Uniformed Services Medical Officers Revised Pay Structure Act of 1974 (P.L. 93-274), which has recently been extended until 30 September 1978, and the Veterans Administration Physician and Dentist Pay Comparability Act of 1975 (P.L. 94-123), an extension of which has already passed the House, provide special and incentive pay to physicians and dentists in the uniformed services and the Veterans Administration. These laws cover a total of approximately 92.5 percent of the physicians employed by the Federal Government. As a result, the remaining 7.5 percent of Federal physicians receive compensation at a significantly lower rate than their counterparts. Physicians employed by the Central Intelligence Agency are among this group of civilian physicians adversely affected by the imbalance in pay scales.

This Agency has doctors, working side by side with Department of Defense doctors overseas, who do not receive the incentive pay. In addition, unlike the Department of State, we are not able to compensate physicians by awarding them a high diplomatic rank. This inequitable situation, coupled with the availability of higher salaries in the private sector, has placed this Agency in a poor competitive position with respect to other Federal agencies with regard to recruitment of physicians. I believe that if this Agency were able to pay competitive salaries the problem would be solved. Data from the Department of Defense indicates that the Uniformed Services Physicians Pay Act stopped the net outflow of military physicians.

Legislation was introduced in the 94th Congress that would extend the benefits of P.L. 93-274 and P.L. 94-123 to physicians in other Federal agencies and departments; in my view this would be a proper method to extend these benefits to physicians employed by the Central Intelligence Agency. Similar legislation has been introduced this session in both Houses, by Representatives Lott (H.R. 1519) and Fisher (H.R. 4620) and by Senator Mathias (S. 990). Since only a relatively small number of Federal physicians are not covered by existing laws and would therefore be affected by this legislation, however, swift action on this legislation is far from certain.

My Office of Legislative Counsel will follow the progress of this legislation but, if necessary in light of this Agency's pressing need for remedial legislation, may offer a legislative proposal specifically drawn to insure that physicians employed by the CIA are placed on a par with those in the uniformed services and the Veterans Administration.

I feel it is appropriate to raise this legislative matter with the Committee and urge your support for remedial language as introduced already or, if necessary, as may be proposed by this Agency. I welcome the opportunity to discuss the matter at greater length.

The Office of Management and Budget has advised there is no objection to the submission of this report from the standpoint of the Administration's program.

Yours sincerely,

STANSFIELD TURNER

Distribution:

Orig - Addressee

1 - DCI

1 - A/DDCI

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1 - OMS

1 - OGC

1 - OLC Subject

1 - OLC OMB Liaison

1 - OLC Chrono

OLC:RLB:sm (25 Oct 77)

The Director



Washington, D. C. 20505

Honorable Edward Boland, Chairman
Permanent Select Committee on Intelligence
House of Representatives
Washington, D. C. 20515

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STANSFIELD TURNER

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OLC:RLB:sm (25 Oct 77)

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OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

Executive Order

77-6861/5

SEP 9 1977

Honorable Admiral Stansfield Turner
Director
Central Intelligence Agency
Washington, D. C. 20505

Attention: George L. Cary
Legislative Counsel

Dear Admiral Turner:

This is in response to your request of April 20, 1977, for advice on proposed letters to Chairman Inouye, Senate Select Committee on Intelligence, and Chairman Price, House Armed Services Committee expressing the Agency's concern about salary schedules for physicians employed by the Central Intelligence Agency (CIA). The letters expressed interest in submitting to the Congress a legislative proposal to insure that physicians employed by CIA are placed on a par with those in the uniformed services and the Veterans Administration.

The subject of Federal physician recruitment and retention has been examined extensively in the last two years. Based on work done in both the executive and legislative branches, the Administration currently has under consideration several proposals designed to address the Government-wide issue of compensation for Federally-employed physicians. For this reason, we believe it would be premature to proceed with separate legislation dealing with a single agency.

We, therefore, request your reconsideration of the proposed letters to Senator Inouye and Representative Price.

Sincerely,

James M. Frey

James M. Frey
Assistant Director for
Legislative Reference

EXECUTIVE SECRETARIAT

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		✓		
2	DDCI		✓		
3	D/DCI/IC				
4	DDS&T				
5	DDI				
6	DDA		✓		
7	DDO				
8	D/DCI/NI				
9	GC				
10	LC	✓			
11	IG				
12	Compt				
13	D/Pers				
14	D/S				
15	DTR				
16	A/DCI/PA				
17	AO/DCI				
18	C/IPS				
19	DCI/SS				
20					
21					
22					

SUSPENSE

Date

Remarks:

Executive Secretary

12 Sep 77

Date

STAT

3637 (5-77)

(EXECUTIVE REGISTRY FILE

O. M. B.